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Memorandum of Understanding between the
War Food Administration, United States Armed Forces,
and Office of Price Administration, with regard to the
Formation and Operation of the War Meat Board

1. Reasons why a War Meat Board is needed.

The Administration of wartime regulations of the livestock and meat industry involves the most difficult and complex of all the food problems encountered thus far in the war effort. This is due to several factors, the most important of which are:

(1) The industry is widely decentralized. Livestock is produced and processed in all sections of the United States, and meat is a basic part of the human diet in all sections of the country. While there is a large movement of livestock from surplus-producing areas to the large primary markets where the livestock is slaughtered and the meat processed and distributed to the large consuming and deficit-producing areas, the fact remains that in practically every county of the United States livestock is produced, slaughtered, and the meat consumed locally. This wide geographical distribution of the functions of the industry adds greatly to the complexities of adequate government controls.

(2) There is a wide variation both by seasons and by areas in the movement of livestock to market. There is also a wide variation in demand by seasons and by areas.

(3) Meat is perishable and must be moved into consumption quickly. This calls for an administrative control that is flexible and can act quickly.

(4) Heretofore, the interaction of supply and demand factors has resulted in a satisfactory movement of meat supplies from surplus areas to deficit areas. The substitution of man-made regulations for economic law, however, has resulted in the creation of black markets, the price squeeze on slaughterers, difficulties in procuring requirements for the Armed Forces and Lend-lease, and maldistribution among civilians. All of these difficulties are traceable to the lack of balance between demand and supply.

Governmental programs are under way for correcting this condition. These programs include: (1) the consumer meat rationing program; (2) the slaughter permit and restriction program; (3) uniform dollars and cents retail price ceilings. However, in order to effectuate these programs, a continuing, close coordination of the activities of the governmental agencies in administering these controls, in making meat available for

civilians, and in procuring meat, is essential; The War Meat Board, the functions of which are described below, is to be established by the undersigned agencies to accomplish this necessary co-ordination and in order that the various governmental activities with respect to meat can be conducted with the speed and facility that are so essential in bringing about the proper balance of the available supply of meat and civilian, military and other requirements.

2. Functions of the War Meat Board.

The War Meat Board shall promote the co-ordination of the Consumer Rationing Program and the governmental meat procurement programs from day to day and from week to week, in such a way as to keep the total demand for meat in balance with the available supply. The Board shall consider and determine the action it regards as necessary or advisable in dividing and distributing the national meat supply, in accordance with the policies of the allocating agency in Washington, (1) to assure proper distribution of meat so that adequate supplies will be available to meet the demand under the Rationing Program; (2) to provide the Armed Forces with its allocated quantities of meat where and when needed; (3) to provide other exempt governmental agencies with their requirements, taking into account the total quantity of meat available from day to day and from week to week, as ascertained by the War Meat Board.

After the determination of the action deemed necessary or advisable to achieve the objectives outlined above, the Board, through its chairman, shall recommend such action to the appropriate member of the Board representing the agency responsible for such action. If such member concurs in the recommendation, he shall take such steps as are necessary to put the recommendation into effect, acting under the authority delegated to him by the agency which he represents.

Quarterly and yearly requirements of meat by the various elements of demand and firm commitments to recipients of Lend-lease aid will continue to be determined by the allocating and other agencies in Washington. An objective of the War Meat Board will be to translate this allocation in terms of actual supplies and to recommend such revisions in the quarterly and yearly allocations as prove to be necessary, due to errors in these long-time estimates.

3. Organization of the War Meat Board.

The War Meat Board, composed of representatives of the various governmental agencies dealing with the livestock and meat problems, shall be located at Chicago, Illinois. The members of the Board shall be the following:

A chairman, who will be an authorized representative of the War Food Administrator

A representative of the United States Armed Forces.

A representative of the War Food Administration responsible for other governmental purchases of meats.

A representative of the Food Rationing Division of the Office of Price Administration.

A representative of the Food Price Division of the Office of Price Administration.

A manager of pork supplies.

A manager of beef supplies.

A manager of veal, lamb and mutton supplies.

A manager of canned meat supplies.

4. Authority and duties of the members of the War Meat Board.

The authority and duties of the individual members of the War Meat Board shall be as follows:

The Chairman. The chairman of the War Meat Board shall be appointed by the War Food Administrator, with full authority to act for the War Food Administration in conducting the operations of the Board. The chairman or his authorized representative shall preside at all meetings of the Board and shall direct the activities of the Board consistently with policies set forth in this memorandum, and for taking appropriate steps to further execution of action which the Board determines should be taken. He shall have the authority to employ and give general supervision to such personnel as is necessary to conduct the operations of the Board.

Representative of the United States Armed Forces. Inasmuch as most of the meat requirements of the Armed Forces are purchased by the United States Army, the representative of the Armed Forces shall be appointed by the Quartermaster General and shall be given full power to act for the Quartermaster General in carrying out the responsibilities and duties of this representative on the Board. The duties shall include (1) providing full information to the War Meat Board of the meat requirements of the Armed Forces by weeks and months and by kinds and grades of meat; (2) supplying the Board with detailed information of actual purchases for the Armed Forces by weeks and by months and by kinds and grades of meat. He shall report to the Board as frequently as is necessary the difficulties that are being encountered in procuring meat for the Armed Forces, and participate in the deliberations of the Board in deciding the steps that should be taken to remove these difficulties. He shall

participate in all other studies and deliberations of the Board in the performance of its functions; (3) he shall be authorized to issue instructions to the meat procurement officers of the Army as to the policies and procedures to be followed in purchasing meats for the Armed Forces, in order that these purchasing activities may be kept in complete harmony with the actions taken and recommendations made by the Board.

Representative of the War Food Administration responsible for other governmental purchases of meats. This representative shall be appointed by the War Food Administrator and shall have delegated to him such authority as is necessary to perform his functions as a member of the Board. His duties shall include providing the Board with information as to the meat requirements of the other governmental agencies by weeks and months and by kinds and grades of meat, and shall report actual purchases by weeks and months and by kinds and grades of meat. He shall present to the Board the difficulties encountered in procurement of the kinds of meat required, and participate in the studies and deliberations of the Board in determining the steps that should be taken to alleviate these difficulties, or any other difficulties with respect to the proper division of meat supplies among the various elements of demand. He shall be authorized to instruct the procurement representatives of the War Food Administration as to the procedures and policies to be followed in purchasing meats for Lend-lease and other governmental agencies, except the Armed Forces, in order that these activities will be conducted in complete harmony with the actions taken and recommendations made by the War Meat Board.

Representative of the Food Rationing Division of the Office of Price Administration. This representative shall be appointed by the Administrator of the Office of Price Administration, and shall be empowered to act for the Director of the Food Rationing Division, and have delegated to him such authority as is necessary to effectively perform his functions as a member of the War Meat Board. He shall have authority to act for the Director of the Food Rationing Division of the Office of Price Administration with respect to the recommendations of the Board. Other duties of this representative shall include advising the Board of the requirements of meat to meet civilian demand under the rationing program. He shall report to the Board any difficulties being encountered in the rationing program which can be alleviated by action of the Board in determining the steps that should be taken to alleviate these difficulties or any other difficulties with respect to the proper division of supplies among the various elements of demand.

Representative of the Price Division of the Office of Price Administration. This representative shall be appointed by the Administrator of the Office of Price Administration, and shall be empowered to act for the Director of the Food Price Division in carrying out his functions as a member of the War Meat Board. He shall be a responsible officer

of the Office of Price Administration, and shall be authorized to act on matters of price policy coming before the Board, consistent with the general policies of the Office of Price Administration. This shall include authority to act for the Director of the Food Price Division with respect to the recommendations of the Board. He shall participate in the studies and deliberations of the Board in determining the steps that should be taken to eliminate difficulties with respect to the proper division of supplies among the various elements of demand.

Manager of Pork Supplies. The manager of pork supplies shall be appointed by the War Food Administrator. It shall be the duty of this representative to keep the Board constantly informed as to pork products during the preceding week, and prospective production in the weeks and months ahead. He shall advise the Board of the inventory position of the industry, the kinds of pork, and by areas. He shall keep in constant touch with the physical movement of pork products and all cases of maldistribution which are found anywhere in the country. He shall also keep in constant touch with markets in all sections of the country, and keep the Board advised as to the price situation of live hogs and wholesale and retail prices of pork products. He shall actively participate in the studies conducted by the Board in determining the action it regards necessary or advisable to effectuate a proper distribution of pork products within the civilian trade, to bring about the desired division of pork supplies among the various elements of demand listed in Section 2, to keep total demand in balance with total supplies, in a manner that is deemed necessary to maintain prices of hogs and pork products at the desired levels.

The manager of beef supplies, the manager of veal, lamb and mutton supplies, and the manager of canned meats shall be appointed by the War Food Administrator, and their duties with respect to the products assigned to them shall be the same as those outlined for the manager or pork supplies.

5. Methods of operation of the War Meat Board.

Members of the War Meat Board shall be provided with offices in the same building in Chicago, and will be provided with the necessary physical facilities and personnel to perform their functions. The Board shall meet regularly on Monday of each week, first, to ascertain as accurately as possible the supply of meat available for the various elements of demand for the current week, and second, to determine the courses of action that shall be followed in the division of the national meat supply among these various elements. The Board also shall have such additional meetings during the week as the chairman deems necessary in meeting the problems that arise, and in order to generally carry out the responsibilities of the Board.

The Board shall have the authority, through its chairman, to call in at any time representatives of livestock producers, marketing interests, meat packers, retailers or other representatives of the industry to serve as advisers

to the Board in the conduct of its operations. The Board shall also, through its chairman, request the counsel or assistance of representatives of the various governmental agencies to advise and assist the Board in the performance of its functions.

For the Armed Forces

Quartermaster General

For the Office of Price Administration

Administrator

For the War Food Administration

Administrator